

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Jacqueline Marcus
Robert J. Lemons

Attorneys for Lehman Brothers Holdings Inc.
and Certain of Its Affiliates

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	: Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
Debtors.	: (Jointly Administered)
-----X	

**SEVENTH NOTICE OF WITHDRAWAL OR DEFERRAL OF
DEBTORS' APPLICATION TO ASSUME CERTAIN EXECUTORY CONTRACTS**

PLEASE TAKE NOTICE of the following:

1. On October 25, 2011, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed a Plan Supplement (as amended from time to time the "Plan Supplement") [ECF No. 21254],¹ containing documents and schedules in connection with the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors (the "Plan"),² dated December 5, 2011 [ECF No. 22973]. The Plan was confirmed by order of the Court on December 6, 2011 (the "Confirmation Order") [ECF No. 23023] and became effective on March 6, 2012.

¹ A list of the amendments to the Plan Supplement and other notices and orders pertaining thereto is annexed hereto as Exhibit A.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

2. Pursuant to the Confirmation Order, the hearing on the Debtors' proposed assumption of certain executory contracts and unexpired leases set forth on Exhibit 2 to the Plan Supplement was adjourned until (i) February 14, 2012, or (ii) such other date as may be scheduled by the Debtors, with leave from the Court, with at least 30 days notice to the relevant counterparty, or as otherwise agreed.

3. On January 31, 2012, February 9 and 13, 2012, April 3, 2012, May 31, 2012, and June 25, 2012, the Debtors filed notices of withdrawal of their application to assume certain executory contracts or to defer indefinitely the hearing on their application to assume certain executory contracts (the "Notices of Withdrawal or Deferral").

4. Subsequent to the filing of the Notices of Withdrawal or Deferral, the Debtors have reached agreements with certain additional parties with respect to their objections to the Debtors' application to assume executory contracts and unexpired leases.

5. The Debtors hereby withdraw their application to assume the executory contracts identified on Exhibit B hereto (the "Withdrawn Contracts").

6. The hearing on the Debtors' proposed assumption of the executory contracts identified on Exhibit C (the "Additional Deferred Contracts") shall be adjourned without date and shall be scheduled by the Debtors, with leave from the Court, on a date to be determined with at least 30 days notice to the counterparty, or as otherwise agreed.

7. The Debtors reserve their rights to withdraw in the future their application to assume additional executory contracts and unexpired leases set forth on

Schedule 1 or 2 to the Confirmation Order or that are the subject of the objections listed
on Schedule 1 or 2 to the Confirmation Order.

Dated: August 14, 2012
New York, New York

/s/ Jacqueline Marcus

Jacqueline Marcus
Robert J. Lemons

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Lehman Brothers Holdings Inc.
and Certain of Its Affiliates

EXHIBIT A

**AMENDMENTS TO THE PLAN SUPPLEMENT AND OTHER NOTICES AND
ORDERS PERTAINING THERETO**

1. Amendment No. 1 to the Plan Supplement, filed on November 4, 2011 [ECF No. 21665].
2. Amendment No. 2 to the Plan Supplement, filed on November 15, 2011 [ECF No. 22156].
3. Amendment No. 3 to the Plan Supplement, filed on November 22, 2011 [ECF No. 22590].
4. Amendment No. 4 to the Plan Supplement, filed on November 29, 2011 [ECF No. 22742].
5. Amendment No. 5 to the Plan Supplement, filed on December 2, 2011 [ECF No. 22876].
6. Amendments No. 6 and No. 7 to the Plan Supplement, filed on December 5, 2011 [ECF Nos. 22975 and 22980].
7. Notice of Withdrawal of Debtors' Application to Assume Certain Executory Contracts, filed on January 31, 2012 [ECF No. 24823].
8. Notice of (i) Withdrawal of Debtors' Application to Assume Certain Executory Contracts, (ii) Indefinite Adjournment of Debtors' Application to Assume Certain Executory Contracts, (iii) Adjournment of Hearing on Debtors' Application to Assume Certain Executory Contracts, and (iv) Status Conference on Debtors' Proposed Assumption of Executory Contracts, filed on February 9, 2012 [ECF No. 25201].
9. Third Notice of Withdrawal of Debtors' Application to Assume Certain Executory Contracts, filed on February 13, 2012 [ECF No. 25266].
10. Order Authorizing Debtors to Assume Certain Executory Contracts and Unexpired Leases, entered by the Court on March 19, 2012 [ECF No. 27016].
11. Fourth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on April 3, 2012 [ECF No. 27262].
12. Fifth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on May 31, 2012 [ECF No. 28313].
13. Notice of Presentment of Order Authorizing Debtors to Assume Certain Executory Contracts and Unexpired Leases, filed on May 31, 2012 [ECF No. 28326].
14. Notice of Adjournment of Hearing on Debtors' Application to Assume Certain Executory Contracts, filed on June 19, 2012 [ECF No. 28871].
15. Sixth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on June 25, 2012 [ECF No. 28956].

16. Corrected Sixth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on June 25, 2012 [ECF No. 28957].

EXHIBIT B
WITHDRAWN CONTRACTS

Counterparty	Debtor	Title of Agreement	Notice Address
Anthracite Investment (Ireland) Plc (Series 12)	Lehman Brothers Special Financing Inc.	ISDA Master Agreement, dated as of November 3, 2003	Jennifer C. DeMarco Sara M. Tapinekis Clifford Chance Us LLP 31 West 52nd Street New York, NY 10019
Anthracite Investment (Ireland) Plc (Series 18)	Lehman Brothers Special Financing Inc.	ISDA Master Agreement, dated as of November 3, 2003	Jennifer C. DeMarco Sara M. Tapinekis Clifford Chance Us LLP 31 West 52nd Street New York, NY 10019
Beryl Finance Limited Series 2007-5	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 21, 2006	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Beryl Finance Limited Series 2007-15	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 20, 2007	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Blue Mountain Credit Alternatives Master Fund L.P.	Lehman Brothers Special Financing Inc.	That certain trade novation whereby LBSF replaced Blue Mountain Credit Alternatives Master Fund L.P. in the trade reference 42701 facing Morgan Stanley with effective date September 11, 2008 and maturity date December 20, 2010	Paul Kizel Lowenstein Sandler PC 65 Livingston Ave. Roseland, NJ 07068
			Blue Mountain Credit Alternatives Master Fund L.P. 280 Park Avenue 5th Floor East New York, NY 10017
Chapel Hill Residential Retirement Center Inc.	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of December 15, 2005	Patrick L. Hayden Shawn R. Fox McGuireWoods LLP 1345 Avenue of the Americas Seventh Floor New York, NY 10105
Diamond Finance 2006-2	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Lawrence V. Gelber Schulte Roth & Zabel LLP 919 Third Avenue New York, NY 10022
			Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022

Counterparty	Debtor	Title of Agreement	Notice Address
Haverford School	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of March 1, 2007	Christopher S. Chow Ballard Spahr LLP 919 N. Market Street, 11th Floor Wilmington, DE 19801
			William A. Slaughter Ballard Spahr LLP 1735 Market Street, 51st Floor Philadelphia, PA 19103
Onyx Funding Limited Series 2006-1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 21, 2006	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Quartz Finance 2005-2	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on February 11, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Racers 2005-13-C	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of July 6, 2005	James E. Spiotto Ann E. Acker Franklin H. Top, III James Heiser Chapman and Cutler LLP 111 West Monroe Street Chicago, Illinois 60603
			Craig M. Price Chapman and Cutler LLP 330 Madison Avenue, 34th Floor New York, NY 10017
Ruby Finance 2005-1 Class A1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Ruby Finance 2005-1 Class A10	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Ruby Finance 2005-1 Class A11	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Ruby Finance 2005-1 Class A12	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022

Counterparty	Debtor	Title of Agreement	Notice Address
Ruby Finance 2005-1 Class A13	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Ruby Finance 2005-1 Class A14	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Ruby Finance 2007-2	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 21, 2006, as amended and restated from time to time between Dante Finance plc and Lehman Brothers Special Financing Inc.	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
			Mark D. Sherrill Sutherland Asbill & Brennan LLP 1275 Pennsylvania Avenue, NW Washington, DC 20004
Saphir Finance PLC 2006-3, Class A1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 22, 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Saphir Finance PLC 2007-9	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 20, 2007	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Saphir Finance PLC 2008-1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement, dated as of October 10, 2002	Lawrence V. Gelber Schulte Roth & Zabel LLP 919 Third Avenue New York, NY 10022
			Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022
Zircon Finance LTD Series 2007-14	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002, as amended and restated on July 21, 2006	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Ave. New York, NY 10022

EXHIBIT C

ADDITIONAL DEFERRED CONTRACTS

Number	Counterparty	ECF No.	Debtor	Agreement
1.	Beryl Finance Limited Series 2007-11 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 21, 2006
2.	Beryl Finance Limited Series 2007-13 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 20, 2007
3.	Beryl Finance Limited Series 2007-8 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 20, 2007
4.	Beryl Finance Limited Series 2008-1 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 20, 2007
5.	Beryl Finance Limited Series 2008-7 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 20, 2007
6.	Consumer Unsecured Repperforming Loans (Curl) PLC (BNY Mellon, as Trustee)* [†]	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement, dated as of July 18, 2007
7.	Diadem City CDO Limited Series 2008-2 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 20, 2007
8.	Diadem City CDO Limited Series 2008-3 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 20, 2007
9.	Puerto Rico Commonwealth of (Escrow) (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	Debt Service Deposit Agreement dated as of June 6, 2005 as amended by that certain Amendment Agreement dated as of June 27, 2008
10.	Zircon Finance LTD Series 2007-17 (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of October 10, 2002 and amended and restated on July 20, 2007
11.	Eurosail - NL 2007-2 BV (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of November 29, 2007 (Bullet Cap Swap Master Agreement)
12.	Eurosail - NL 2007-2 BV (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of November 29, 2007 (Interest Rate Swap Master Agreement)
13.	Eurosail NL 2008-1 B.V. (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of April 23, 2008

* “BNY Mellon, as Trustee” means “The Bank of New York Mellon,” “The Bank of New York Mellon Trust Company, N.A.,” and/or “BNY Mellon Corporate Trustee Services Limited,” as applicable and each as trustee, indenture trustee, agent, or in its other representative capacity.

[†] The deferral of the objection of BNY Mellon, as Trustee, does not affect the pending objection filed by Consumer Unsecured Repperforming Loans (Curl) PLC [ECF No. 22224].

14.	Eurosail-UK 2007-2NP PLC (BNY Mellon, as Trustee)* [‡]	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement, dated as of March 29, 2007
15.	Kings River Limited (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of July 29, 2003
16.	The Bank of New York Mellon (BNY Mellon, as Trustee)*	22010, 22766, 22970	Lehman Brothers Commercial Corp.	International Currency Options Market Master Agreement dated as of September 5, 1996
17.	Pyxis ABS CDO 2007-1 LTD. (Bank of America, National Association, successor by merger with LaSalle Bank, National Association, solely in its capacity as trustee on behalf of Pyxis ABS CDO 2007-1 LTD and Pyxis ABS CDO 2007-1 LLC)	21928	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of March 6, 2007

[‡] The deferral of the objection of BNY Mellon, as Trustee, does not affect the pending objection filed by Eurosail-UK 2007-2NP PLC [ECF No. 22229].